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#12

RECEIVED  
JUL 16 2003  
OFFICE OF PETITIONS

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re Application of: Keith Johnson

Application No.: 09/662,195 Group Art Unit: 1616

Filing Date: September 14, 2000 Examiner: S. Gollamudi

Title: APPLICATION OF WATER NANocluster TO SKIN

**PETITION TO REVIVE UNDER 37 C.F.R. §1.137 (b)**

Commissioner for Patents  
P.O. Box 1450  
Alexandria, VA 22313-1450

Dear Sir:

Nanocluster Technologies LLC, the assignee of the above-identified application, by his undersigned attorney, hereby petitions to revive the above-identified application under the provisions of 37 CFR §1.137 (b). It is submitted the resultant abandonment (based upon failure to respond to an Office Action dated August 12, 2002) was unintentional and this petition is diligently filed. The \$650 Petition Fee is enclosed herewith. A Small Entity Status Statement was previously filed.

As discussed below, a Response to the August 12, 2002 Office Action is attached hereto, together with the attached (1) Request for Continued Examination (RCE) Request under 37 C.F.R. 1.114 and the applicable \$375 fee and (2) Information Disclosure Statement By Applicant and the associated \$180 fee.

07/17/2003 AKELLEY 00000025 09662195

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650.00 0P

### STATEMENT OF FACTS

- (1) The above-identified Application Serial No. 09/662,195 was filed on September 14, 2000 in the name of the Keith Johnson and assigned to Dr. Johnson's then-current employer, Quantum Energy Technologies Corporation;
- (2) On or about May 11, 2001, the name of Quantum Energy Technologies Corporation was changed to Supercritical Combustion Corporation;
- (3) On or about November 1, 2001, Supercritical Combustion Corporation underwent a major reduction in staffing, terminating 7 of its 17 employees, including its only lawyer/patent attorney;
- (4) On or about June 21, 2002, Supercritical Combustion Corporation underwent a further reduction in staffing, terminating all except one of its then remaining employees, with the one remaining employee being retained on a part-time basis for accounting matters;
- (5) On or about August 12, 2002, a Final Office Action in the above-identified application was apparently mailed by the United States Patent & Trademark Office (USPTO) setting a three (3) month shortened statutory period for response. This information is based upon a docket sheet received by Petitioner's attorney on April 29, 2003 from the law firm (Choate, Hall & Stewart) which had prosecuted said application for Quantum Energy Technologies Corporation/Supercritical Combustion Corporation. Although a copy of the prosecution file for this application was also received by Petitioner's attorney on April 29, 2003 from the same law firm, no copy of said Final Office Action was found. The undersigned does not have any knowledge of whether or not said Final Office Action was received by Supercritical Combustion Corporation;
- (6) On November 12, 2002, the three month shortened statutory period for response to the August 12, 2002 Office Action expired;
- (7) On December 9, 2002, Supercritical Combustion Corporation, f/k/a Quantum Energy Corporation filed a voluntary petition under chapter 7 of the Bankruptcy Code in the United States Bankruptcy Court, District of Massachusetts (Case No. 02-18821-WWC) and a Chapter 7 Trustee (Harold B. Murphy) was appointed;

(8) At the time of filing of the Bankruptcy petition, according to Court documents, Supercritical Combustion Corporation had essentially no funds or other liquid assets with which to pay any fees associated with patent prosecution costs;

(9) On December 20, 2002, the Chapter 7 Trustee filed a Motion to sell the assets by public auction, together with a Notice of Public Auction, and on January 29, 2003, the Court granted this motion (a copy of the Motion, Notice and Court Order are attached, as Exhibit A);

(10) On February 12, 2003, the period of time to respond to the August 12, 2002 Office Action, with the three one-month extensions of time available under 37 CFR 1.136(a), expired;

(11) On February 13, 2003, the Public Auction was held and individuals representing Nanocluster Technologies LLC purchased all of the patent and patent applications owned by Supercritical Combustion Corporation, including the above-identified application, with the sale being subject to an Addendum being prepared specifically listing the sold property. As noted in paragraph (5) above, Nanocluster Technologies LLC had no knowledge of any abandonment of the above-identified application at the time of purchase;

(12) During the period beginning February 13, 2003 and continuing through April 11, 2003, Nanocluster Technologies LLC representatives worked with each of three patent firms, which had handled patent matters for Supercritical Combustion Corporation, and representatives of the Chapter 7 Trustee to finalize the Addendum;

(11) On April 11, 2003, Nanocluster Technologies LLC received from the Chapter 7 Trustee a Bill of Sale, effective as of February 13, 2003 with the finalized Addendum, dated March 28, 2003 (a redacted copy of which is attached hereto, as Exhibit B);

(12) In the process of finalizing the Addendum, Nanocluster Technologies LLC representatives ascertained for the first time that (i) said August 12, 2002 Office Action in the above identified application may not have been responded to, and (ii) no copy of said Office Action was in the files or available from the law firm which had handle the

matter. Nanocluster Technologies LLC thereafter promptly initiated the preparation of this Petition;

(13) On April 28, 2003, Nanocluster Technologies LLC filed with the Assignment Branch of the USPTO, a Recordation Form (including the Court and Trustee documentation evidencing its ownership) for the patent and patent applications (including the above-identified application), which it acquired in the Bankruptcy Sale, and thereby become empowered to prosecute said application for the first time;

(14) On May 1, 2003, the undersigned mailed a Petition to Revive Under 37 C.F.R. 1.137(a), together with the \$55 fee, with regard to the above-identified application, the USPTO and on May 5, 2003 hand delivered a corrected version thereof (correcting an error in the Serial No.);

(15) On the same day (May 5, 2003), the undersigned personally sought access to the above-identified application at the USPTO, but was denied access, based upon statements from USPTO personnel that the Assignment filed had not been recorded and the power of attorney from the unrecorded new owner was not sufficient. The undersigned reviewed this matter with Mr. Edward Tannouse, an attorney in the Petitions Office, who indicated that he would seek to secure the file and supply a copy of the Office Action to me, so that a response thereto could be included in the Petition;

(16) On May 19, 2003, in response to a telephone call from Mr. John Gillon, also an attorney in the Petitions Office, filed a communication requesting that the May 1, 2003 Petition (with the Serial No error) be withdrawn/disregarded and that the May 5, 2003 be considered with the previously submitted \$55 fee applied to it, or alternatively a new \$55 fee would be provided;

(17) On May 22, 2003, the May 1, 2003 Petition was dismissed as moot;

(18) On May 27, 2003, a new \$55 fee was mailed and stamped as received by the USPTO on June 2, 2003;

(19) On May 28, 2003, the undersigned called Mr. Tannouse and was advised that the file (including the said Office Action) had not yet been received;

(20) On June 12, 2003, the May 5, 2003 Petition was dismissed in view of an alleged failure to show that (i) the delay was unavoidable under 37 C.F.R. §1.137(a), (ii) the August 12, 2003 Office Action was not diligently sought and a Response thereto was not submitted and (iii) the petition fee was not paid. The dismissal provided a copy of the said Office Action and suggested an alternative venue, based upon a Petition showing the delay was unintentional under the provisions of 37 C.F.R. §1.137(b),

(21) The undersigned attorney promptly reviewed the said Office Action, discussed the matter with Nanocluster Technologies LLC personnel, including a meeting in Cambridge, MA on June 17, 2003 and thereafter drafted a response; and

(22) Attached hereto is a Response to the said Office Action together with the attached (1) Request for Continued Examination (RCE) Request under 37 C.F.R. 1.114 and the associated \$375 fee and (2) Information Disclosure Statement By Applicant and the associated \$180 fee.

#### CONCLUSIONS

Nanocluster Technologies LLC respectfully submits that its previous showing did in fact satisfy the provisions of 37 C.F.R. §1.137(a) and that statements therein regarding failure to diligently seek a copy of said Office Action and payment of the Petition fee are incorrect, as set forth above. Notwithstanding this position, the undersigned appreciates the recommendation to proceed with the alternate venue under the provisions of 37 C.F.R. §1.137(b). This Petition is submitted under the provisions of 37 C.F.R. §1.137(b) to expedite a favorable determination herein.

Accordingly, Nanocluster Technologies LLC asserts and respectfully submits that the entire delay in filing the required reply to the August 12, 2002 Office Action from due date for reply until the filing of this grantable petition pursuant to 37 C.F.R. § 137(b) was unintentional. Nanocluster Technologies LLC further asserts and respectfully submits that any resultant abandonment of the above-identified application were also clearly unintentional and the facts herein warrant revival of said application under the provisions of 37 C.F.R. § 137(b).

ACTION/RELIEF REQUESTED

Nanocluster Technologies LLC respectfully requests that (1) this Petition be granted, (2) Application Serial No. 09/662,195 be revived and (3) the Examiner act upon the attached Response to the August 12 2002 Office Action and Request for Continued Examination.

Respectfully Submitted,



Dated: July 16, 2003

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Eugene Berman  
Attorney for Nanocluster Technologies LLC  
Reg. No. 22,587

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF MASSACHUSETTS  
EASTERN DIVISION

In re:  
**SUPERCritical COMBUSTION CORP.**  
Debtor.

Chapter 7  
Case No. 02-18821-WCH

**MOTION BY TRUSTEE FOR AUTHORITY TO SELL ASSETS BY PUBLIC AUCTION  
SALE, FREE AND CLEAR OF LIENS, CLAIMS, ENCUMBRANCES AND INTERESTS**

To the Honorable William C. Hillman, Chief United States Bankruptcy Judge:

In accordance with 11 U.S.C. §§ 105 and 363, Federal Rules of Bankruptcy Procedure 2002 and 6004, and MLBR 6004, Harold B. Murphy, interim Chapter 7 trustee (the "Trustee") of Supercritical Combustion Corp. f/k/a Quantum Energy Technologies Corporation (the "Debtor"), hereby files this motion (the "Motion") for authority to solicit bids and to sell by public auction (the "Auction") substantially all of the Debtor's assets, including certain assets that are purportedly subject to lease agreements, free and clear of all liens, claims, encumbrances, and interests, with such liens, claims, encumbrances, and interests to attach to the proceeds of such sale. The Auction shall occur on the terms and conditions set forth in the Motion and in the *Notice of Intended Public Auction Sale of Personal Property Free and Clear of Liens, Claims, Encumbrances, and Interests* (the "Notice") filed contemporaneously herewith.

The Trustee respectfully requests that the Court set a hearing on the Motion for the week of January 14, 2003, but no later than January 16, 2003, in order that the Auction may occur on or about January 28, 2003. This will leave sufficient time for the Trustee to provide twenty days notice to all creditors. As reason therefore, the Trustee states that many of the assets to be sold at the Auction are highly specialized in nature and of uncertain value, especially in the current economy. The Trustee intends to conduct the auction at the former business premises of the Debtor and therefore desires to

minimize the estate's potential exposure to administrative costs by vacating the premises by the end of the month. In order to provide all parties in interest with as much advance notice of the Auction as possible, the Trustee shall serve the Motion on all parties, and not wait to serve all parties until the proposed Notice is completed with hearing dates.

In further support of this motion, the Trustee states as follows:

Factual Background

1. On December 9, 2002 (the "Petition Date"), the Debtor filed a voluntary petition for relief under Chapter 11 of the Bankruptcy Code ("Code") in this Court.
2. On or about December 9, 2002, Harold B. Murphy was appointed as the interim Chapter 7 trustee of the Debtor.
3. The Debtor formerly operated a business at 10-K Gill Street, Woburn, Massachusetts which conducted research and development for fuel and other materials as well as design, construction and testing of pilot scale equipment.

The Assets

4. The Trustee proposes to conduct an Auction of the substantially all of the assets (the "Assets") formerly utilized by the Debtor in conducting its business. The Assets are almost entirely located at the Debtor's former place of business, 10-K Gill Street, Woburn, Massachusetts (the "Premises"). The Assets include, but are not limited to, the following:

- (i) all furniture and fixtures located on the Premises, such as chairs, arm chairs, tables and desks, including but not limited those items set forth in Exhibit A to the Notice;
- (ii) all equipment located on the Premises, including but not limited to: (i) office equipment such as a telephone system, computer monitors and printers; (ii) laboratory equipment such as thermal analysts, an evaporator and an electrochemical interface; and (iii) combustion equipment such as a calorimeter, diesel engines, a data acquisition system, and a pressure reactor, all of which is set forth in Exhibit B to the Notice;

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<sup>1</sup> One of the diesel engines owned by the Debtor is currently in the possession of Megatech Corporation, 555 Woburn Street, Tewksbury, Massachusetts.

- (iii) all patents and patents pending, both foreign and domestic, such as patents and patents pending in the categories of Water Clusters, SuperNanoFuel™, Electroluminescence, NonFuel™, and Anharmonic Oscillations, including but not limited to those items set forth in Exhibit C to the Notice;
- (iv) all software, including but not limited to those items set forth in Exhibit D to the Notice; and
- (v) all trade names and goodwill owned by the Debtor.

5. Certain of the Assets are purportedly subject to lease agreements (the "Equipment")

between the Debtor as lessee and a third party lessor (the "Lessors"). The Equipment that the Trustee is aware of is set forth on Exhibit E to the Notice (and may also be listed on other exhibits to the Notice). The Trustee believes that such purported leases (the "Agreements") with respect to the Equipment are more properly characterized as finance agreements such that the estate holds the ownership interest in the Equipment subject to any liens that may be asserted.

6. The Trustee has determined that the sale of the Assets by public auction is in the best interest of the bankruptcy estate.

Relief Requested

7. Pursuant to Sections 105, 363(b), and 365 of the Bankruptcy Code and Federal Rules of Bankruptcy Procedure 2002 and 6004, the Trustee requests authorization to schedule and conduct a public auction sale of the Assets and to sell the Assets free and clear of all liens, claims, encumbrances, and interests on an "as is, where is, how is" basis. The auction shall be at 10-K Gill Street, Woburn, Massachusetts within two weeks of the date that the Court sets a hearing on the Motion. In addition, Trustee requests that the Court approve the terms and conditions of the auction as set forth in the Motion and the Notice.

8. As part of the relief requested herein, the Trustee seeks authority to sell the Equipment, free and clear any liens, claims and encumbrances that may be asserted by Lessors. Should the Court determine that the Agreements are in fact leases and not financing agreements, the Trustee requests

that in the absence of an objection by the Lessor, the Lessor shall be deemed to have consented to the Trustee's Auction of the Equipment. The Trustee reserves the right, if warranted, to allocate costs associated with the sale of the Equipment and deduct it from the proceeds of the Equipment.

Sale of Assets at Public Auction

9. In accordance with Bankruptcy Rule 6004(f)(1), sales of property outside the ordinary course may be by private sale or public auction. The Trustee has determined that the sale of the Assets by public auction is the most cost efficient means to maximize its value of the estate. Accordingly, the sale of the Assets by public sale is in the best interests of the estate and its creditors.

10. Section 363(b)(1) of the Bankruptcy Code provides that "[t]he trustee, after notice and a hearing, may use, sell, or lease, other than in the ordinary course of business, property of the estate." 11 U.S.C. § 363(b)(1).

11. The Trustee has determined that the sale of the Assets by public auction will enable the Trustee to obtain the highest and best offer for the Assets and to dispose of the Assets in the most efficient and timely manner possible, thereby maximizing the value of the estate. Accordingly, the sale of the Assets through the auction process is in the best interests of the Debtor, its estate and creditors.

12. Contemporaneously with the filing of the Motion, the Debtor has filed an application to employ Paul E. Saperstein Co., Inc. (the "Auctioneer") to conduct an auction of the Assets. The Auctioneer anticipates publishing notice of the Auction through advertisements in local Sunday newspaper auction sections, direct mailings and the internet, and, if applicable, appropriate industry newspapers.

Sale of the Assets Free and Clear of  
any Liens, Claims or Encumbrances

13. Pursuant to Section 363(f) of the Bankruptcy Code, a trustee may sell property free and clear of liens, claims and encumbrances if one of the following conditions is satisfied:

- (i) applicable non-bankruptcy law permits the sale of such property free and clear of such interest;
- (ii) the lienholder or claimholder consents;
- (iii) such interest is a lien and the price at which such property is to be sold is greater than the aggregate value of all liens on such property;
- (iv) such interest is in a bona fide dispute; or
- (v) the lienholder or claimholder could be compelled, in a legal or equitable proceeding, to accept a money satisfaction of such interest.

14. To the best of the Trustee's knowledge, the Assets are not subject to liens, claims, encumbrances or interests, except that the Equipment may be subject to the assertion of liens, claims, encumbrances and interests by the Lessors. The Trustee has requested that the Court find that, to the extent the Agreements relating to the Equipment are later determined to be leases, that the Lessors are deemed to have assented to the Auction of the Equipment in the absence of an objection filed by such Lessors to the relief requested in the Motion.

15. To the extent that any or all of the Assets, including the Equipment, are subject to liens, claims, or encumbrances, the Trustee requests, pursuant to Section 363(f) of the Bankruptcy Code, that the Assets be sold free and clear of any and all liens, claims, or encumbrances, with such liens, claims, and encumbrances attaching to the net proceeds of the sale of the Assets.

16. The Trustee also proposes to sell the Equipment at the Auction, free and clear of any asserted liens, claims and encumbrances of the Lessors, with any such liens, claims and encumbrances to attach to the proceeds of the Leased Equipment.

17. Nothing herein shall be deemed to be an acknowledgment by the Trustee as to the validity, priority or enforceability of any asserted liens, claims, encumbrances and interests.

The Terms of the Sale and the Auction Procedures

18. The Trustee proposes that the Auctioneer conduct the auction on the terms and conditions set forth herein and in the Notice.

19. The Notice provides, among other things, that the auction will be conducted in accordance with the following terms and conditions:<sup>2</sup>

- The Assets shall be transferred on an "as is, where is, and how is" basis, without any representation or warranty of any kind by the Trustee.
- Pursuant to section 363(f) of the Bankruptcy Code, the Assets shall be sold free and clear of any liens, claims, or encumbrances, with such liens, claims, or encumbrances, if any, attaching to the proceeds of such sale.

Any of the Assets may be withdrawn from sale prior to or during the Auction for any reason whatsoever.

- All bidding increments shall be determined by the Auctioneer, and announced at the commencement of the Auction. Bidding increments may be modified by the Trustee during the Auction.

A successful bidder for the Assets shall tender to the Trustee a deposit on the day of the auction equal to twenty five percent (25%) of its bid for the Assets.

Terms for the removal of the Assets by the successful bidder shall be announced at the Auction. The successful bidder must comply with the announced terms for removal or shall forfeit the deposit and the right to purchase the Assets.

- The successful bidder shall pay the balance of the purchase price by wire transfer or endorsed bank or certified check prior to the removal of the Assets.

Notice

20. The Trustee has served the Motion on the United States Trustee, counsel to the Debtor, the Landlord, the Lessors, all creditors, and all parties who have requested notice in this case. Once the Trustee has been provided with an objection deadline and a hearing date, an auction date will be set, and the Notice will be completed and served upon the same parties.

WHEREFORE, the Trustee respectfully requests that the Court enter an order:

- (A) Authorizing the sale of the Assets, including the Equipment, by public auction sale;**
- (B) Approving the terms and conditions of such sale, as provided herein and in the contemporaneously filed Notice;**
- (C) Finding that Lessors, to the extent they have not objected to the Motion, are deemed to have assented to the sale of the Equipment;**
- (D) Authorizing the Trustee to convey the Assets, including the Equipment and the Diesel, free and clear of any and all liens and encumbrances of record, all right, title and interest that he may have in the Assets, with any liens to attach to the proceeds of the sale; and**
- (E) Providing the Trustee with such other and further relief as is just and proper.**

HAROLD B. MURPHY,  
CHAPTER 7 TRUSTEE  
By his counsel,

Harold B. Murphy  
Harold B. Murphy BBO#362610  
Kathleen R. Cruckshank BBO#550675  
HANIFY & KING, P.C.  
One Federal Street  
Boston, MA 02110  
(617) 423-0400  
Fax: (617) 556-8985

Dated: December 20, 2002  
347728

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<sup>2</sup> The following discussion represents a summary of the Notice. In the event of a discrepancy between this summary and the terms of the Notice, the terms of the Notice shall control.

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF MASSACHUSETTS  
EASTERN DIVISION

In re:

SUPERCritical COMBUSTION CORP.

Debtor.

)  
Chapter 7  
Case No. 02-18821-WCH

CERTIFICATE OF SERVICE

I, Kathleen R. Cruickshank, hereby certify that on December 20, 2002, I caused to be served a copy of the (i) *Motion by Trustee for Authority to Sell Assets by Public Auction Sale, Free and Clear of Liens, Claims, Encumbrances and Interests*; (ii) *Trustee's Notice of Public Auction Sale of Assets Free and Clear of All Liens, Claims and Encumbrances*; (iii) *Application to Employ Paul E. Saperstein Co., Inc. as Auctioneer to Conduct Public Auction*; and (iv) *Affidavit Of Michael Saperstein In Support Of Application For Employment As Auctioneer* via first class mail to the parties set forth on the attached list.

Kathleen R. Cruickshank

Kathleen R. Cruickshank (BBO #550675)  
HANIFY & KING  
Professional Corporation  
One Beacon Street  
Boston, MA 02108  
(617) 423-0400

U.S. BANKRUPTCY COURT  
DISTRICT OF MASS.

Dated: December 20, 2002  
307822

DEC 20 2002 P 1: 46

## QET PATENTS AND APPLICATIONS

### Water Clusters

- Water Cluster USP# 5,800,576
- Water Cluster Continuation USP# 5,997,590
- System For Underwater Communication Pending

### SuperNanoFuel™

- Method of Combustion and Design USP# 5,992,354
- Combustible Liquid Fuel Pending
- Supercritical Composition/System USP# 6,010,544
- Miller Cycle Pending
- Cascade Nozzle Pending
- Subcritical Composition/System Pending

### Electroluminescence

- Method for Producing Semiconductor Particles USP# 5,690,807
- EL Device/Structured Particle Conductor USP# 5,958,573
- Semiconductor Particle EL Display Pending

### NanoFuel™

- Nano Partitioned Fuels Pending
- Water-Hydrocarbon Compositions Pending

### Anharmonic Oscillations

- Anharmonic Oscillations /Deuterated Alloys USP# 5,411,654
- Anharmonic Oscillations /Deuterated Alloys USP# 5,674,632
- Anharmonic Oscillations /Deuterated Alloys USP# 5,770,036

*Confidential and Proprietary*

As of January 2000

## NATIONAL STAGE/FOREIGN PATENT FILINGS

NATIONAL STAGE/FOREIGN PATENT FILINGS						
COUNTRY	CLUSTERS		SC FUEL		MILLER CYCLE	
	FILED	PATENT #/DATE	FILED	PATENT #	FILED	PATENT #
PCT	X	PCTIUS97120779	X	PCTIUS9827012	X	PCTIUS9912547
ARGENTINA	X					
AUSTRALIA	X	717,273 (11/14/97)	X		X	
BRAZIL	X		X		X	
CANADA	X		X		X	
CHINA			X		X	
COSTA RICA	X					
CZECH REP.			X		X	
EUROPEAN COM*	X		X		X	
ISRAEL			X		X	
JAPAN	X		X		X	
KOREA	X		X		X	
MEXICO	X		X		X	
NORWAY	X					
POLAND			X		X	
RUSSIA			X		X	
UKRAINE			X		X	
TOTAL COUNTRIES	29		31		31	

## SCC U.S. PATENTS AND APPLICATION

Serial #	Filing Date	Patent #	Issue Date	Assignee	Inventor(s)	Counsel	Subject/Title
816,821	7/2/93	5,411,654	5/2/95	MIT	Ahern et al	Lober	Anharmonic Oscillations/Deuterated Alloys
831,014	10/28/94	5,874,632	10/7/97	MIT	Ahern et al	Lober	Anharmonic Oscillations/Deuterated Alloys
510,802	8/33/95	5,680,807	11/25/97	MIT	Clark et al.	Lober	Producing Semiconductor Particles
642,127	5/2/96	5,770,038	6/23/98	MIT	Ahern et al	Lober	Anharmonic Oscillations/Deuterated Alloys
747,862	11/13/96	5,800,576	9/1/98	QET	Johnson et al.	Choate	Water Cluster
13796,778	2/10/97	5,858,573	8/28/99	QET	Spitzer et al.	Choate	EL Structured Particle Device
13715,810	9/18/96	5,992,354	11/30/99	MIT	Ahern et al	Lober	Combustion of Nanopartitioned Fuel
13964,249	11/4/97	5,897,580	12/7/99	QET	Johnson et al.	Choate	Water Cluster-CIPDSXF
13992,983	12/18/97	6,010,544	1/4/20	QET	Haldeman et al.	Choate	SC Water Fuel Composition
13787,063	2/10/97	6,049,080	4/11/00	MIT	Clark	Lober	Semiconductor Particle EL Display
13105,734	6/26/98	6,170,441	1/9/01	QET	Haldeman et al.	Choate	Engine System/Unsymmetrical Cycle
13933,787	9/19/97	6,235,067	5/22/01	MIT	Ahern et al	Lober	SC Liquid Fuel
13229,841	1/13/99			QET	Johnson et al.	Choate	Underwater Communication
13359,509	7/23/99	ALLOWED		QET	Ahern et al	Lober	Sub-Critical Fuel
13557,725	4/25/00			QET	Ahern et al	Choate	Cascade Nozzle
13829,018	4/9/01			QET	Haldeman	HBSR	Heating of Fuels
	5/11/01					HBSR	Methane Hydrates
	5/15/01					HBSR	Insulated Injector

UNITED STATES BANKRUPTCY COURT, DISTRICT OF MASSACHUSETTS  
Proceeding Memorandum/Order of Court

DOC 1 ED

Case#: 02-18621

Ch: 7

In re: Supercritical Combustion Corp.

MOTION/APPLICANT/PARTIES:

1. #9 Motion by Trustee for Authority to Sell Assets by Public Auction Sale, Free and Clear of Liens, Claims, Encumbrances and Interests  
Notice of Public Auction Sale of Assets Free and Clear of All Liens, Claims and Encumbrances

#18 Partial Objection by ChemNotif Inc. with Respect to Specific Equipment to Motion to Sell Assets by Public Auction Free and Clear of Liens, Claims, Encumbrances and Interests or Alternatively, Seeking Adequate Protection Pursuant to 11 USC 303 (f)  
(K. Cruickshank, Agin) (obj. 1/27/03 by noon)

JURISDICTION:

By Agreement of the Parties

Granted - Approved - Sustained  
Denied - Denied without prejudice - Withdrawn in open court - Overruled  
OSC enforced/released

Continued to: \_\_\_\_\_ For: \_\_\_\_\_

Formal order/stipulation to be submitted by: \_\_\_\_\_ Date due \_\_\_\_\_  
Findings and conclusions dictated at close of hearing incorporated by reference.

Taken under advisement: Brief(s) due \_\_\_\_\_ From \_\_\_\_\_

Response(s) due \_\_\_\_\_ From \_\_\_\_\_

Fees allowed in the amount of: \$ \_\_\_\_\_ Expenses of: \$ \_\_\_\_\_

No appearance/response by: \_\_\_\_\_

DECISION SET OUT MORE FULLY BY COURT AS FOLLOWS:

\_\_\_\_\_  
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IT IS SO NOTED:

Peter J. Reaney  
Courtroom Deputy

IT IS SO ORDERED:

William C. Willman

Dated:

1/29/03

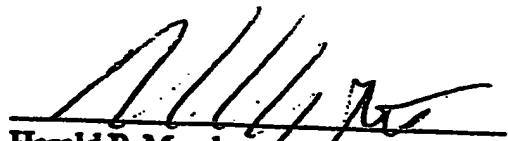
U.S. Bankruptcy Judge

**BILL OF SALE**

THIS BILL OF SALE (the "Bill of Sale") is made as of the 13th day of February, 2003, by Harold B. Murphy, the Chapter 7 trustee (the "Trustee") of Supercritical Combustion Corporation, debtor (the "Debtor") in a Chapter 7 case pending in the United States Bankruptcy Court, District of Massachusetts, case number 02-18821-WCH, in favor of Nanocluster Technologies LLC ("Buyer").

NOW, THEREFORE, for good and valuable consideration in the amount of \$ and sufficiency of which is hereby acknowledged, the Trustee as seller does hereby absolutely and unconditionally give, grant, bargain, sell, transfer, set over, assign, convey, release, confirm, and deliver to Buyer, all of the Trustee's right, title and interest in all of the Debtor's foreign and domestic patents, patents pending and intellectual property, including but not limited to the patents and patent applications listed in the Trustee's notice of sale, and including those (the "Assets") set forth in the exhibit entitled "Addendum to Paul E. Saperstein Co. Invoice" affixed hereto. The Assets are being sold "as is" and "where is" and without any representations by Trustee.

This Bill of Sale shall inure to the benefit of the respective successors and assigns of Buyer.



Harold B. Murphy  
Chapter 7 Trustee of Supercritical  
Combustion Corporation

----- MARCH 20, 2003

ADDENDUM TO PAUL E. SAPERSTEIN CO. INVOICE OF SALE DATED FEBRUARY 13, 2003/SPECIFIC  
INTELLECTUAL PROPERTY (IP) SOLD TO NANOCLOUDER TECHNOLOGIES LLC  
  
PURSUANT TO TRUSTEE'S NOTICE OF PUBLIC AUCTION,  
DATED DECEMBER 31, 2002

TYPE OF IP	JURIS	APPL. NUMBER	FILING DATE	ISSUED NUMBER	ISSUE DATE	SUBJECT
(1) ISSUED U.S. PATENTS						
Issued Patent	USA	86,821	7/2/93	5,411,654	5/2/93	Anharmonic Oscillations
Issued Patent	USA	331,014	10/28/94	5,674,632	10/7/97	Anharmonic Oscillations
Issued Patent	USA	510,802	8/--/95	5,690,807	11/25/97	Semiconductor Particles
Issued Patent	USA	642,127	5/2/96	5,770,036	6/23/98	Anharmonic Oscillations
Issued Patent	USA	08/747,862	11/13/96	5,800,576	9/1/98	Water Clusters
Issued Patent	USA	08/796,778	2/10/97	5,958,573	9/28/99	BL Device Structured Part.
Issued Patent	USA	08/715,810	9/18/96	5,992,354	1/1/00	SC Fuels Combustion Sys.
Issued Patent	USA	08/964,249	11/4/97	5,997,590	12/7/99	Water Clusters CTP
Issued Patent	USA	08/992,983	12/18/97	6,010,544	1/4/00	SC Water Fuel Composition

TYPE OF IP	JURIS	APPL. NUMBER	FILING DATE	ISSUED NUMBER	ISSUE DATE	SUBJECT
Issued Patent	USA	08/797,063	2/10/97	6,049,090	4/11/00	Electrolum. Device
Issued Patent	USA	09/105,734	6/26/98	6,170,441	1/9/01	Miller Cycle System
Issued Patent	USA	08/933,787	9/19/97	6,235,067	5/22/01	SC Water Fuel Composition
Issued Patent	USA	09/829,016	4/9/01	6,520,767	2/18/03	Fuel Delivery Systems/SC Fuels
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TYPE OF IP	JURIS	APPL. NUMBER	FILING DATE	ISSUED NUMBER	ISSUE DATE	SUBJECT
<b>(2) PENDING U.S. PATENT APPLICATIONS</b>						
Patent Application	USA	09/229,941	1/13/99			
Patent Application	USA	09/359,509	7/23/99			Underwater Communication
Patent Application	USA	09/557,725	4/25/00			Sub-SC Fuel
Patent Application	USA	09/662,195	9/14/00			Cascade Nozzle
Patent Application	USA					Water Clusters
Patent Application	USA					Application to Skin
Patent Application	USA	60/291,352	5/16/01			Insulated Injector
Patent Application	USA					
Patent Application	USA	09/853,838	5/11/01			Extracting Gases System
Patent Application	USA	09/930,272	9/10/01			SC Waste Treatment